

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



January 9, 1995

Chevron U.S.A. Production Company
P.O. Box 1150
Midland, TX 79702-1150

Attention: Lloyd Trautman

Administrative Order NSP-1709(L)

Dear Mr. Trautman:

Reference is made to your application dated September 22, 1994 for a 40-acre non-standard gas spacing and proration unit consisting of the following acreage in the Blinebry Oil and Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 25: SE/4 SE/4

It is my understanding that this unit is to be dedicated to your existing Gulf Sims Well No. 1 (API No. 30-025-10457), located at an unorthodox gas well location 990 feet from the South line and 660 feet from the East line (Unit P) of said Section 25.

By authority granted me under the provisions of Rules 2(a)4 and 2(c) of the Special Rules and Regulations for the Blinebry Oil and Gas Pool as promulgated by Division Order No. R-8170, as amended, the above-described 40-acre non-standard gas spacing and proration unit and

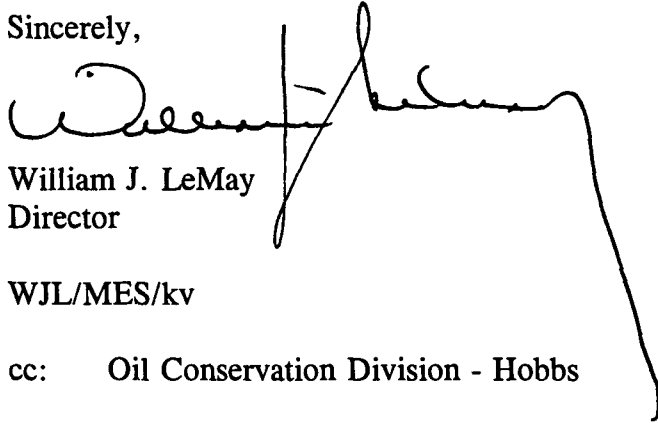
VILLAGRA BUILDING - 408 Galisteo
Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830
Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco
Office of the Secretary
827-5950
Administrative Services
827-5925
Energy Conservation & Management
827-5900
Mining and Minerals
827-5970
Oil Conservation
827-7131

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unorthodox gas well location for the Gulf Sims Well No. 1 are hereby approved. Also, you are hereby permitted to produce the allowable assigned the subject GPU, in accordance with Rule 5 of said pool rules based upon a unit size of 40 acres.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long, sweeping horizontal stroke extending to the right.

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs